

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VILLAGE WATER DISTRICT HELD JANUARY 10, 2012

A regular meeting of the Board of Directors of the Cherry Creek Village Water District (referred to hereafter as "Board") was held on Tuesday, January 10, 2012 at 9:00 a.m., at the City of Greenwood Village Community Room, 6060 S. Quebec Street, Greenwood Village, Colorado. This meeting was open to the public.

ATTENDANCE

The regular meeting of the Board of Directors of the Cherry Creek Village Water District was called and held, as shown, in accordance with Colorado law. The following directors were present:

Lou Schroeder
Joseph Ryan
John Forney
Roger Baer
Phil Viseur

Also present were:

Cathy Noon; Community Resource Services (CRS)
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks Consultants
Neil Schilling; Schilling & Company
Larry Larson, C & L Water Solutions, Inc.

CALL TO ORDER

Director Forney called the meeting to order at 9:02 a.m.

QUORUM/QUALIFICATIONS/ & DISCLOSURES

It was noted that a quorum was present. All of the Directors are qualified and there are no conflicts of interest disclosures required.

ADMINISTRATIVE ITEMS

Agenda: Upon review and discussion of the Agenda and a motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the agenda as presented.

Minutes: The minutes of the December 13, 2011 Regular Board meeting were presented to the Board. Following review and discussion, upon a motion duly made, seconded and, upon vote, unanimously carried, the Board approved the December

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13, 2011 minutes as presented.

DIRECTOR MATTERS

There were none.

FINANCIAL ITEMS

Discussion of 2011 Audit Engagement - Mr. Schilling discussed his proposal and firm's experience with the Board. Upon a motion duly made, seconded and, upon vote, unanimously carried, the Board approved engaging Schilling & Company to conduct the 2011 audit for an amount not to exceed \$4,000, pending review of Schilling & Company's audit engagement letter by legal counsel.

Review and Approve Payment of Claims – Ms. Noon reviewed the December 2011 claims totaling \$29,834.90, represented by check numbers 4462 - 4473. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the December 2011 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending December 31, 2011 with adjustments made through January 4, 2012. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated December 31, 2011. After review, the Board accepted the financial statements. The Board was pleased to note a gain in the District's fund balance as a result of the change in management companies with lower costs and having had no line breaks requiring repairs. The increase in fund balance will allow for a larger dollar amount to be transferred to the Line Replacement Reserve for future needs.

Discussion on CD Renewal – Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board voted to move the CD amount maturing on January 20, 2012 from Citywide Bank to First Citizens for a 3-year "step up" CD.

Review Delinquent Account Report – Ms. Noon presented the report to the Board for their review.

MANAGEMENT MATTERS

Review Consumption Report – Ms. Noon reviewed the

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Consumption Report with the Board. The Board noted there was a 3% loss in amount purchased from Denver Water and the amount billed to customers. Mr. Sekera explained that a loss is expected due to hydrant flushing and water testing and that 3% is a low rate compared to many districts reflecting a loss of about 10%.

Update on Payment Options for Utility Customers – The Board reviewed the updated information on charges and options as well as the surveys that have been returned to date. **Ms. Noon will bring survey results to the February meeting for Board discussion.**

MAINTENANCE AND OPERATIONAL ITEMS

Engineering Report – Discussion on Valve Operations and Presentation by Larry Larson with C & L Water Solutions, Inc. – Mr. Sekera and Mr. Larson explained the overall system operation and how needed adjustments were determined. **Each year, C & L will isolate and test each meter/valve to ensure each is fully operational.** In addition, the meters are monitored monthly and tested twice a year. Optimum operation at the Dayton meter (Ross brand) is at 125-2,000 gpm with a 6" PRV. Optimum operation at the Yosemite meter (Cla-Val brand) is at 300-4,000 gpm with an 8" PRV. Discussion occurred regarding the need to replace the two main meters to gain better performance with flow fluctuations. No action will be taken at this time. C & L is a Colorado State regulated operator and is designated by the District with the State Health Department as the District's Operator in Responsible Charge (ORC). C & L provides services that facilitate the District operating efficiently and economically. Mr. Larson suggested the District have a long-term maintenance/replacement schedule. The Board expressed their appreciation to Mr. Sekera and Mr. Larson for this work on behalf of Cherry Creek Village Water District.

Other – Mr. Sekera will be meeting with the City of Greenwood Village on the operation of the CCSP Marina and Greenwood Village Park meters. **Mr. Flynn will review the agreements currently in place and discuss same with Mr. Sekera.**

LEGAL

Resolution 2012-1-1 Designating Location for Posting Notice of District Meetings – Mr. Flynn presented said Resolution to the Board for their consideration. Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board voted to approve Resolution 2012-1-1

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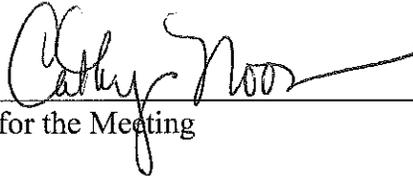
Designating Location for Posting Notice of District Meetings.

Resolution 2012-1-2 Calling for District's May 8, 2012 Regular Election – Mr. Flynn presented said Resolution to the Board for their consideration. Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board voted to approve Resolution 2012-1-2 Calling for the District's May 8, 2012 Regular Election.

ADJOURNMENT

There being no further business to come before the Board, upon a motion made, seconded and upon vote, unanimously carried, the meeting was adjourned at 11:31 a.m.

Respectfully submitted,



Secretary for the Meeting